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TAGS: [PGOV](#) [RS](#)

SUBJECT: OUT AS PROCURATOR GENERAL, USTINOV RETURNS AS
JUSTICE MINISTER

REF: A. MOSCOW 6547

[B](#). MOSCOW 6268

[C](#). MOSCOW 5934

Classified By: Minister-Counselor for Political Affairs Kirk Augustine,
for reasons 1.4 (B & D)

[1](#). (U) On June 23 President Putin nominated Vladimir Ustinov -- who on June 2 had been removed from his prior position as Procurator General -- to be Minister of Justice. In his new position Ustinov succeeds former Justice Minister Yuriy Chayka, who on June 19 was named as Ustinov's successor as Procurator General. In effect, Ustinov and Chayka have simply exchanged jobs, and some journalists have concluded that the changes carry less political significance than had initially been believed at the time of Ustinov's removal as Procurator General.

[2](#). (C) Most Russian analysts do not share that conclusion. While commentators here are continuing publicly and privately to mine the appointments for insights into the succession process, the primary conclusions currently being drawn here include that:

- The changes reemphasize that at least at the current phase of the succession process, Putin retains his role as (in the words of the Center for Political Technologies) "the demiurge of Russian politics." None of Putin's three decisions -- to remove Ustinov as Procurator General, to appoint Chayka in his place, and to appoint Ustinov as Justice Minister -- was widely expected, and Putin has not felt constrained to provide even post-factum explanations for any of the moves. Some speculate that as the succession process moves forward and its uncertainties drive increasingly sharp competition among members of Putin's entourage, he will repeatedly need to act in a similar fashion to discipline "competitive excesses" and restore the balance he wants to maintain.

- The job of Minister of Justice is a responsible and respected position, but in terms of power it is a clear step down in the Russian system from the Procurator General, who has traditionally had far more levers at his disposal (as figures from Gusinskiy and Berezovski to Khodorkovski can confirm from their personal experience). Almost no one here would dispute that Ustinov has been taken down a peg by Putin, and that by extension the "siloviki" group of which Ustinov has been a leading figure has also taken a hit. That impression is only strengthened by the two-week delay during which Putin kept Ustinov twisting slowly, slowly in the wind before announcing his new assignment. It is not clear whether Putin's failure to immediately announce Ustinov's follow-on assignment was part of a disciplining process, or whether internal forces within the leadership group had any influence on Ustinov's eventual nomination as Justice Minister.

- By concluding the episode with the naming of Ustinov as

Minister of Justice (rather than as a Presidential Representative in some remote area of Russia or as a diplomat abroad), Putin has sent the message that Ustinov had not irreparably blotted his copybook. While taken down a peg, he remains a member of Putin's team. Some commentators regard this as confirmation (a) that Putin tends to display loyalty to his team and is loathe to fire any team member outright, (b) that the balance that Putin wanted to restore among the competing groups required only a measured take-down of a silovik, not an outright purge, and/or (c) that Putin's team in fact has a very thin bench, with few quality replacements available to step up into major assignments, forcing Putin periodically to recycle familiar faces into new positions, rather than bring in fresh blood.

- Russia is a country of weak institutions, and the key relationships are personal, not institutional. It is not inevitable that the Justice Ministry under Ustinov will be as peripheral an institution as it was under Chayka, or that the Procuracy General under Chayka will be as strong as it was under Ustinov. It will be at least initially assumed, however, that any politically relevant assertiveness of the Procuracy under Chayka will be steered directly by Putin, whereas many believed that Ustinov was at times pursuing his own agenda or that of the "siloviki" corporately in his actions as Procurator General.

- How vigorously Ustinov may try to remain a leading political figure and to expand the influence of his new Ministry will depend in part on how he has read the meaning of Putin's action. If he understands that he has in essence been told to lower his profile and look more directly to Putin for instructions, he may remain for some time in the background. The commentator Aleskey Zudin remarked that "if

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Ustinov doesn't lower his level of political activity, that will mean that Putin is losing political strength."

- Since the Justice Ministry has responsibilities, inter alia, for the registration of political parties -- a significant area of influence as Russia approaches the 2007 Duma elections and 2008 succession -- as well as of NGOs and religious organizations, many are already concerned that he may impose his own views on those new responsibilities. Independent Duma Deputy Vladimir Ryzhkov commented, however, that the Justice Ministry under Chayka was already politicized, and Ustinov's appointment would likely bring few changes. A Kommersant article reported that a source close to the Kremlin did not rule out that Ustinov's new responsibilities related to political parties might lead to increased tensions between two Presidential Administration deputy heads: Vladislav Surkov, who takes the lead on most issues relating to political parties, and Igor Sechin, who is generally seen as the leader of the "silovik" faction and who has close personal and political ties to Ustinov.

- Some will be looking for changes in the economic as well as the political sphere. Commentator Stanislav Belkovskiy, for instance, stressed that the removal of Ustinov from the Procuracy General means that "Sechin has lost the ability to use the Procuracy to resolve commercial conflicts." That could potentially have significant consequences as the competing groups around Putin fight for property and financial advantage before the end of his Presidency.

- One apparent loser in the Ustinov/Chayka shuffle is Presidential Representative to the South District of Russia Dmitriy Kozak, who many had expected to return to the capital as Procurator General (and as such become a potential candidate for the presidential succession) or at least as Minister of Justice. Kozak may yet return to Moscow in a responsible position, but Putin clearly passed over an opportunity to bring him back now in a position for which he had obvious qualifications.

- Initial expectations or at least hopes that Ustinov's removal from the Procuracy -- and his speculative replacement by Kozak -- might mean an intensification of anti-corruption activities and/or a reform of the Procuracy have been deflated. There is a sense that, whatever the changes may mean in terms of intra-leadership competition for power, they probably will mean very little for anti-corruption or government reform efforts.

13. (C) The Embassy had only very limited cooperation with the Ministry of Justice under Yuriy Chayka's leadership, and we therefore expect Ustinov's appointment to have little impact in that regard. Most USAID programs in the area of rule of law are handled directly with the Russian judiciary, and there too we anticipate little change. Ustinov's appointment could potentially have an impact on USAID programs in the area of democratization and support for civil society if it affected the registration of NGOs, since most USAID funding in that area is channeled through NGOs. At this point, however, the NGO community is waiting to see how implementation of the new NGO law will proceed, and it is not clear that Ustinov's role in the Ministry will bring significant changes in that regard.

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